

Conservation Banking Summary

Conservation banking provides a tool to offset adverse impacts to listed species that will be taken incidentally to otherwise lawful activities.

- A conservation bank is a tract containing natural resource values conserved and managed in perpetuity, through a conservation easement held by an entity responsible for enforcing the terms of the easement. In a conservation bank, species conservation benefits can be subdivided into “credits” generated on the bank property that are exchanged for “debits” due to incidental take elsewhere.
- A credit or debit might be expressed in terms of red-cockaded woodpecker groups, or individual gopher tortoises, or acres of suitable habitat.
- Banks can be created in association with specific projects. They can proceed from a circumstance where the project proponent sets aside more area than is needed for mitigation in his or her immediate project and is willing to protect the remaining area to generate credits that can be used by others. A bank can also be created as an entrepreneurial effort in anticipation of an independent customer base developing from a number of other projects in the area.
- A bank can be created a number of different ways:
 - acquisition of existing suitable habitat
 - protection of existing suitable habitat through application of an easement
 - restoration of disturbed habitat
 - prescriptive management of existing habitat to produce specific biological characteristics
- Establishment of banks must be guided by a conservation strategy and management plan for the species in question. The bank agreement must be guided by species recovery goals, and must include provisions for monitoring and evaluation, funding assurances, and the ability to anticipate and adapt to changed circumstances. A “service area” must be carefully defined to identify the area in which project proponents would be eligible to purchase credits from the bank.
- A bank holder can be any land owner interested in species conservation, or with a desire to maintain or enhance their natural landscape over the long term. Existing bank owners include International Paper in Georgia and the Mobile County Water and Sewer Board in Alabama.

The International Paper bank can provide mitigation for red-cockaded woodpecker groups to interested project proponents, but no credits have been sold to date.

The Mobile County bank provides a 222-acre refuge for gopher tortoises displaced by

residential development throughout the County. The Mobile County bank occurs on fee simple lands managed for timber production (compatible with tortoise management) that surround a water supply reservoir. So far, credits have been bought and 43 tortoises have been moved onto the bank.

- These two bank examples highlight the need to consider the potential market for credits that would be generated by the proposed bank. International Paper's bank has been available for over 7 years, but landowners within the service area have used other options for their mitigation responsibility. The Mobile County bank has been available for much less time but has sold about one third of its credits.
- On May 2, 2003, the Service issued guidance for the establishment, use and operation of conservation banks. The guidance can be found at: <http://endangered.fws.gov/>.
- There are numerous ways to establish a bank. The biological and legal strategies are best discussed with the appropriate Service field office. In Alabama, our field office is in Daphne. Larry Goldman, the Field Supervisor, can be reached at 251/441-5181.

